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Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary

Application No.

10/803,616

Applicant(s)

BARSADE ET AL.

Examiner

NATHAN ERB

Art Unit

3628

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --
Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 09 February 2010.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1.5 and 7-24 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1.5 and 7-24 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- 1) ☐ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☐ Information Disclosure Statement(s) (PTO/GS/US)
Paper No(s)/Mail Date _____

- 4) ☐ Interview Summary (PTO-413)
Paper No(s)/Mail Date _____
- 5) ☐ Notice of Informal Patent Application
- 6) ☐ Other: _____

DETAILED ACTION

Response to Arguments

1. Applicant's response to Office action was received on February 9, 2010.
2. The claim listing is unchanged by Applicant's Response. Correspondingly, Examiner's claim rejections remain unchanged from the previous Office action.
3. Regarding the rejections under 35 U.S.C. 112, second paragraph, Applicant argues that the invention of claim 1 is clearly a system, on the basis of the preamble and that the system must contain at least one node which is a computer program storage device. Examiner acknowledges the combination of hardware and software components. However, Examiner's concern here is the form of the claim. A typical system claim has a form such as:

1. A system comprising:

a processor; and

a memory, communicatively coupled to the processor;

wherein the system is configured to perform the steps comprising:

[step (a)];

[step (b)]; and

[step (c)].

A typical software claim has a form such as:

1. A computer-readable medium storing a computer program which, upon execution by a computer, causes the computer to perform the steps comprising:

[step (a)];

[step (b)]; and

[step (c)].

In claim 1, Applicant has a typical system preamble, but then has language very much resembling the preamble of a software claim in part (f) of the body of claim 1. While academically, it may be possible to reason claim 1 to be a system claim, Examiner is concerned that this non-standard format could lead to confusion over whether a system or software claim is intended. This is the basis of these rejections under 35 U.S.C. 112, second paragraph, and is why Examiner is maintaining these rejections below in this Office action.

4. Applicant argues that the additional rejection of claim 16 under 35 U.S.C. 112, second paragraph, is improper because it is permissible to omit unnecessary steps. Examiner's concern in the rejection is not that unnecessary steps be claimed, but that the conditional language renders the scope of the claim indefinite. For example, to infringe the current form of claim 16, should the infringing system have a logic protocol that adds the payment data? Under the current form of claim 16, sometimes that happens and sometimes it does not happen. To attempt to overcome this rejection, Examiner suggests the following rewording of claim 16:

16. The system of claim 1 further comprising a logic protocol that determines that third party payment data is to be added to the transaction data information packet and adds the payment data.

5. The issues regarding the prior art rejections were extensively discussed in the immediately previous Non-Final Office action, the arguments of which Examiner hereby

incorporates by reference in their entirety here. For purposes of being concise, Examiner will simply address Applicant's new arguments and counterarguments in this Office action.

6. At the bottom of p. 9 and the top of p. 10 of Applicant's Response, Applicant argues: "While it is true that one must consider the function of a prior art element in determining its relevance to an element included in one's claim(s), Examiner must be careful not to assume that the required features of one element (the payment gateway) can be or is indeed taken over by another element (the third party provider). This is especially true when the art of record clearly and separately identifies the two different elements and even includes embodiments wherein both elements are present and wherein one element is bypassed." In response, Examiner points out that Examiner did not simply assume that the third party service provider of Agee takes over the functions of a payment processing gateway. Rather, in the immediately previous Office action, Examiner determined the meaning of "payment processing gateway" (see pp. 5-15 of that Office action), analyzed the description of the third party service provider in Agee (see pp. 15-17 of that Office action), and determined that the third party service provider in that particular embodiment of Agee in fact matched the meaning established for "payment processing gateway" (see p. 17 of that Office action). Therefore, Examiner's conclusion was not a mere assumption, and Examiner's analysis is also not negated by the presence of a separate element labeled "gateway" in other embodiments of Agee.
7. On p. 10 of Applicant's response, Applicant quotes some language from Examiner's previous arguments ("quite reasonable to believe") and seems to imply that

such language indicates mere speculation by the Examiner as to the third party service provider being a valid payment processing gateway. Please note that this particular quotation does not represent the "core" rationale of the Examiner for why Agee's third party service provider qualifies as a payment processing gateway. Rather, the discussion and application of the definition of "payment processing gateway" referenced above represents that "core" rationale. The quotation referenced by Applicant here was simply Examiner providing an example of why the presence of another element labeled "gateway" in another embodiment of Agee was not determinative of the issue.

8. On p. 11 of Applicant's response, Applicant provides diagrams indicating that the combination of Sullivan and Agee does not result in the claimed invention because it results in a tax system that is not "off-set" (that is, out of direct communication with) the financial network. However, this ignores the limitation of "the payment processing gateway is on a node different than the tax system" which is also one of Agee's limitations that is combined in the rejection for claim 1. See the rejection below in this Office action.

9. Examiner maintains that the new arguments offered by Applicant do not affect whether the third party service provider in the embodiment of Agee used by Examiner meets the definition of "payment processing gateway," which Examiner believes is the decisive question here. More specifically, Examiner does not believe Applicant has established:

a. that the definition arrived at by Examiner for "payment processing gateway" in pp. 5-15 of the immediately previous Office action was incorrect and unreasonable;

- b. that the functions of the third party service provider (in the embodiment of Agee used by Examiner) that were summarized by Examiner at pp. 16-17 of the immediately previous Office action were an incorrect interpretation of Agee; or
- c. that the definition and functions in (a) and (b) immediately above do not match.

If Applicant can persuade Examiner of one of (a) through (c) immediately above, Examiner suggests that that may be a productive avenue for future arguments.

10. Therefore, Examiner does not find Applicant's arguments to be persuasive.

Claim Rejections - 35 USC § 112

11. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

12. Claims 1, 5, 7-20, and 24 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

As per Claims 1, 5, 7-20, and 24, these claims are indefinite because it is unclear whether claim 1 is a system claim (as indicated by the preambles of claim 1 and its dependent claims) or a software claim (as indicated by the software language at the end of the claim).

As per Claim 16, the claim contains an action that is to be performed if a particular condition is present. However, the claim does not also state what action occurs if that particular condition is not present. This renders the claim to be indefinite. The conditional statement being referred to here is: "determines if third party payment data is to be added to the transaction data information packet, and, if so,..."

Claim Rejections - 35 USC § 103

13. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the

invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

14. Claims 1, 5, and 7-24 are rejected under 35 U.S.C. 103(a) as being unpatentable over Sullivan, U.S. Patent Application Publication No. US 2003/0093320 A1, in view of Agee et al., U.S. Patent Application Publication No. US 2003/0097303 A1.

As per Claim 1, Sullivan discloses:

- a client logic engine-based system for handling calculation and payment of one or more third party fees due to a third party as part of one or more wide area network transactions between a first party and a second party, wherein the first, second and third parties are users of distinct first, second and third nodes, respectively, of the wide area network (paragraphs [0005]-[0007]; paragraph [0039]; paragraph [0046]; paragraph [0124]-[0126]);

- a wide area network comprising multiple nodes enabling the transfer of transaction data information packets between the first party and the second party (paragraph [0046]);

- a transaction client logic engine, residing on a node within the wide area network distinct from and at a different locale than the nodes of the first and the second party, that: includes rules of logic for the determination of what action is required on transaction data information packets; receives one or more transaction data information packets related to one or more wide area network transactions between the first and the second party; determines what action is required on received transaction data information packets; and based upon said determination, transmits the information

packets: between a third party fee calculation client logic engine and itself, or between a third party fee fulfillment client and itself (paragraphs [0005]-[0007]; paragraph [0039]; paragraph [0046]; paragraph [0054]; paragraph [0061]; paragraph [0124]-[0126]; paragraphs [0130]-[0131]);

- a third party fee calculation client logic engine, residing on a node within the wide area network distinct from the nodes of the first and the second party, that: includes rules of logic for the determination of fees owed to a third party on one or more transactions between the first and the second party; receives one or more information packets from a transaction client logic engine; calculates the third party fees owed on the transaction between the first and the second party; and transmits to the transaction client logic engine or a third party fee fulfillment client logic engine, a transaction data information packet including said third party fees owed (paragraphs [0005]-[0007]; paragraph [0039]; paragraph [0046]; paragraph [0054]; paragraph [0061]; paragraphs [0124]-[0126]; paragraphs [0130]-[0131]);

- a third party fee fulfillment client logic engine, residing on a node within the wide area network distinct from the nodes of the first and the second party, that: includes rules of logic for the determination of fees owed to one or more third parties on one or more transactions between the first and the second party; receives from the transaction client logic engine, or the third party fee calculation logic engine, one or more information packets containing data for the transfer of transaction funds between the first and the second party; determines the third party fees owed on the transaction between the first and the second party; provides authorization and fulfillment data for

the third party fees owed on the transaction between the first and the second party; and transmits to the transaction client logic engine one or more information data packets comprising authorization and fulfillment data for the transfer of funds; wherein the system causes the deduction of the third party fees owing from funds transferred between the first and the second party; and causes the transfer of the third party fees to said one or more third parties (Figure 1; paragraphs [0005]-[0007]; paragraph [0038]; paragraph [0039]; paragraph [0046]; paragraph [0054]; paragraph [0061]; paragraph [0122]; paragraphs [0124]-[0126]; paragraphs [0130]-[0131]);

- wherein at each occurrence, a node is selected from a computer, server, or gateway; and the first party is a consumer and the second party is a merchant; at least one node is a computer program storage device readable by a computer, tangibly embodying a computer program or instructions executable by the computer to perform method steps for providing a transaction client logic engine, a third party fee calculation client logic engine, or a third party fee fulfillment client logic engine (Figure 1; Figure 3F; paragraphs [0036]-[0040]; paragraphs [0124]-[0131]).

Sullivan fails to disclose wherein the tax system components are divided in the manner specified in claim 1 among multiple computers at separate nodes of the network which communicate with each other. However, Sullivan discloses that its system may be divided among multiple computers at separate nodes of the network which communicate with each other (paragraphs [0130]-[0131]). It would have been obvious to one of ordinary skill in the art to modify the invention of Sullivan such that the tax system components are divided in the manner specified in claim 1 among multiple

computers at separate nodes of the network which communicate with each other; in doing so, its system would be divided among multiple computers at separate nodes of the network which communicate with each other, as disclosed by Sullivan. The modification would have been obvious because the claimed invention is merely a combination of old elements, and in the combination each element merely would have performed the same function as it did separately, and one of ordinary skill in the art would have recognized that the results of the combination were predictable.

Sullivan fails to disclose a payment processing gateway, residing on a node within the wide area network distinct from and at a different locale than the nodes of the first and the second party, that: transmits to a transaction client logic engine one or more transaction data information packets related to one or more wide area network transactions between the first and the second party; receives from the transaction client logic engine or a third party fee fulfillment client logic engine one or more information data packets comprising authorization and fulfillment data for the transfer of funds; and transmits to a financial network the one or more information data packets comprising authorization and fulfillment data for the transfer of funds. Agee et al. discloses a payment processing gateway, residing on a node within the wide area network distinct from and at a different locale than the nodes of the first and the second party, that: transmits to a transaction client logic engine one or more transaction data information packets related to one or more wide area network transactions between the first and the second party; receives from the transaction client logic engine or a third party fee fulfillment client logic engine one or more information data packets comprising

authorization and fulfillment data for the transfer of funds; and transmits to a financial network the one or more information data packets comprising authorization and fulfillment data for the transfer of funds (paragraph [0043]; paragraph [0045]; paragraphs [0084]-[0086]; in this case, the third-party service provider 62 system can be regarded as a payment processing gateway). It would have been obvious to one of ordinary skill in the art to modify the invention of Sullivan such that it includes a payment processing gateway, residing on a node within the wide area network distinct from and at a different locale than the nodes of the first and the second party, that: transmits to a transaction client logic engine one or more transaction data information packets related to one or more wide area network transactions between the first and the second party; receives from the transaction client logic engine or a third party fee fulfillment client logic engine one or more information data packets comprising authorization and fulfillment data for the transfer of funds; and transmits to a financial network the one or more information data packets comprising authorization and fulfillment data for the transfer of funds, as disclosed by Agee, since the claimed invention is merely a combination of old elements, and in the combination each element merely would have performed the same function as it did separately, and one of ordinary skill in the art would have recognized that the results of the combination were predictable.

Sullivan fails to disclose the tax system receives transaction data from the payment processing gateway. Agee et al. further discloses the tax system receives transaction data from the payment processing gateway (paragraph [0043]; paragraph [0045]; paragraphs [0084]-[0086]; in this case, the third-party service provider 62

system can be regarded as a payment processing gateway). It would have been obvious to one of ordinary skill in the art to modify the invention of Sullivan such that the tax system receives transaction data from the payment processing gateway, as disclosed by Agee et al., since the claimed invention is merely a combination of old elements, and in the combination each element merely would have performed the same function as it did separately, and one of ordinary skill in the art would have recognized that the results of the combination were predictable.

Sullivan fails to disclose the payment processing gateway is on a node different than the tax system. Agee further discloses the payment processing gateway is on a node different than the tax system (paragraph [0043]; paragraph [0045]; paragraph [0063]; paragraphs [0084]-[0086]; in this case, the third-party service provider 62 system can be regarded as a payment processing gateway). It would have been obvious to one of ordinary skill in the art to modify the invention of Sullivan such that the payment processing gateway is on a node different than the tax system, as disclosed by Agee, since the claimed invention is merely a combination of old elements, and in the combination each element merely would have performed the same function as it did separately, and one of ordinary skill in the art would have recognized that the results of the combination were predictable.

As per **Claim 5**, Sullivan fails to disclose wherein the tax system components are divided in the manner specified in claim 1 among multiple computers at separate nodes of the network which communicate with each other. However, Sullivan discloses

that its system may be divided among multiple computers at separate nodes of the network which communicate with each other (paragraphs [0130]-[0131]). It would have been obvious to one of ordinary skill in the art to modify the invention of Sullivan such that the tax system components are divided in the manner specified in claim 1 among multiple computers at separate nodes of the network which communicate with each other; in doing so, its system would be divided among multiple computers at separate nodes of the network which communicate with each other, as disclosed by Sullivan. The modification would have been obvious because the claimed invention is merely a combination of old elements, and in the combination each element merely would have performed the same function as it did separately, and one of ordinary skill in the art would have recognized that the results of the combination were predictable.

As per **Claim 7**, Sullivan further discloses wherein the wide area network is the Internet (paragraph [0039]; paragraph [0046]).

As per **Claim 8**, Sullivan further discloses wherein the merchant is an on-line merchant having a website resident on a node of the wide area network, the transaction is an on-line electronic transaction conducted over the wide area network, and the consumer is obtaining a good and/or service from the merchant (paragraph [0039]; paragraph [0046]).

As per **Claim 9**, Sullivan further discloses wherein the electronic transaction is an e-commerce payment transaction (paragraph [0046]).

As per **Claim 10**, Sullivan further discloses wherein at least one of the third parties is a government agency and at least one of the third party fees is sales tax (paragraph [0007]; paragraph [0036]).

As per **Claim 11**, Sullivan further discloses wherein at least one of the third parties is a logic engine service provider that controls the system and provides for calculation and/or payment of at least one third party fee to the government agency (paragraphs [0005]-[0007]; paragraph [0061]; paragraph [0122]; paragraph [0124]-[0126]).

As per **Claim 12**, Sullivan further discloses wherein at least one of the third party fees is a fee due to the logic engine service provider (paragraph [0122]; paragraph [0124]-[0126]).

As per **Claim 13**, Sullivan further discloses a logic protocol that calculates the amount of third party fee due to the logic engine service provider (paragraph [0122]; paragraph [0124]-[0126]).

As per **Claim 14**, Sullivan further discloses a logic protocol that affects payment of a third party fee to the logic engine service provider (paragraph [0122]; paragraph [0124]-[0126]).

As per **Claim 15**, Sullivan further discloses a logic protocol that determines if a transaction data information packet is to be transmitted to the third party fee calculation client logic engine or the third party fee fulfillment client logic engine (paragraphs [0005]-[0007]; paragraph [0039]; paragraph [0046]; paragraph [0054]; paragraph [0061]; paragraph [0124]-[0126]; paragraphs [0130]-[0131]).

As per **Claim 16**, Sullivan further discloses a logic protocol that determines if third party payment data is to be added to the transaction data information packet, and, if so, adds the payment data (paragraphs [0005]-[0007]; paragraph [0046]; paragraph [0061]; paragraph [0122]; paragraph [0124]-[0126]).

As per **Claim 17**, Sullivan fails to disclose an authorization and capture client agent. However, Examiner hereby takes Official Notice that that element/limitation was well-known to one of ordinary skill in the art at the time of applicants' invention. It would have been obvious to one of ordinary skill in the art at the time of applicants' invention to modify the invention of Sullivan such that it includes an authorization and capture client agent, as disclosed by Official Notice. Motivation is provided in that Examiner hereby takes Official Notice that it was well-known to one of ordinary skill in the art at

the time of applicants' invention that an authorization and capture client agent is useful for processing credit card payments in online transactions.

As per **Claim 18**, Sullivan further discloses a service provider fee logic engine, residing on a node within the wide area network, that includes rules of logic for the determination of a third party fee owed to a service provider of the system (paragraphs [0005]-[0007]; paragraph [0039]; paragraph [0046]; paragraph [0122]; paragraph [0124]-[0126]).

As per **Claim 19**, Sullivan further discloses wherein the third party fee due to the service provider is a fixed fee (paragraph [0122]).

As per **Claim 20**, Sullivan further discloses wherein the third party fee due to the service provider is a prorated or incremental fee (paragraph [0122]).

As per **Claim 21**, Sullivan discloses:

- a computer program storage device readable by a computer, tangibly embodying a computer program or instructions executable by the computer to perform method steps for providing a transaction client logic engine, residing on a node within a wide area network (paragraphs [0005]-[0007]; paragraph [0039]; paragraphs [0124]-[0126]);

- receiving one or more transaction data information packets related to one or more wide area network transactions between a first party and a second party (paragraphs [0005]-[0007]; paragraph [0039]; paragraph [0046]; paragraphs [0124]-[0126]);

- determining what action is required on received transaction data information packets (paragraphs [0005]-[0007]; paragraph [0039]; paragraph [0046]; paragraphs [0124]-[0126]);

- based upon said determination, transmitting the information packets between a third party fee calculation client logic engine, if present, and itself, or between a third party fee fulfillment client logic engine, if present, and itself (paragraphs [0005]-[0007]; paragraph [0039]; paragraph [0046]; paragraph [0054]; paragraph [0061]; paragraph [0124]-[0126]; paragraphs [0130]-[0131]);

- wherein the transaction client logic engine resides: on a node of a wide area network and at a different locale than the first party and second party; comprises rules of logic for the determination of what action is required on transaction data information packets; and is adapted to receive from a third party fee fulfillment client logic engine one or more information data packets comprising authorization and fulfillment data for the transfer of funds (Figure 1; paragraphs [0005]-[0007]; paragraph [0038]; paragraph [0039]; paragraph [0046]; paragraph [0054]; paragraph [0061]; paragraphs [0124]-[0126]; paragraphs [0130]-[0131]).

Sullivan fails to disclose wherein the tax system components are divided in the manner specified in claim 21 among multiple logic engines which communicate with

each other. However, Sullivan discloses that its system may be divided among multiple logic engines which communicate with each other (paragraphs [0130]-[0131]). It would have been obvious to one of ordinary skill in the art to modify the invention of Sullivan such that the tax system components are divided in the manner specified in claim 21 among multiple logic engines which communicate with each other; in doing so, its system would be divided among multiple logic engines which communicate with each other, as disclosed by Sullivan. The modification would have been obvious because the claimed invention is merely a combination of old elements, and in the combination each element merely would have performed the same function as it did separately, and one of ordinary skill in the art would have recognized that the results of the combination were predictable.

Sullivan fails to disclose the tax system receives transaction data from the payment processing gateway. Agee et al. discloses the tax system receives transaction data from the payment processing gateway (paragraph [0043]; paragraph [0045]; paragraphs [0084]-[0086]; in this case, the third-party service provider 62 system can be regarded as a payment processing gateway). It would have been obvious to one of ordinary skill in the art to modify the invention of Sullivan such that the tax system receives transaction data from the payment processing gateway, as disclosed by Agee et al., since the claimed invention is merely a combination of old elements, and in the combination each element merely would have performed the same function as it did separately, and one of ordinary skill in the art would have recognized that the results of the combination were predictable.

Sullivan fails to disclose the tax system transmitting said one or more information data packets to the payment processing gateway. Agee further discloses the tax system transmitting said one or more information data packets to the payment processing gateway (paragraph [0043]; paragraph [0045]; paragraphs [0084]-[0086]; in this case, the third-party service provider 62 system can be regarded as a payment processing gateway). It would have been obvious to one of ordinary skill in the art to modify the invention of Sullivan such that the tax system transmits said one or more information data packets to the payment processing gateway, as disclosed by Agee, since the claimed invention is merely a combination of old elements, and in the combination each element merely would have performed the same function as it did separately, and one of ordinary skill in the art would have recognized that the results of the combination were predictable.

Sullivan fails to disclose the tax system is at a different locale than the payment processing gateway. Agee further discloses the tax system is at a different locale than the payment processing gateway (paragraph [0043]; paragraph [0045]; paragraph [0063]; paragraphs [0084]-[0086]; in this case, the third-party service provider 62 system can be regarded as a payment processing gateway). It would have been obvious to one of ordinary skill in the art to modify the invention of Sullivan such that the tax system is at a different locale than the payment processing gateway, as disclosed by Agee, since the claimed invention is merely a combination of old elements, and in the combination each element merely would have performed the same function as it did

separately, and one of ordinary skill in the art would have recognized that the results of the combination were predictable.

As per **Claim 22**, Sullivan discloses:

- a computer program storage device readable by a computer, tangibly embodying a computer program or instructions executable by the computer to perform method steps for providing a third party fee calculation client logic engine, residing on a node within a wide area network distinct from the nodes of a first party and a second party (paragraphs [0005]-[0007]; paragraph [0039]; paragraphs [0124]-[0126]);

- receiving one or more information packets from a transaction client logic engine (paragraphs [0005]-[0007]; paragraph [0039]; paragraph [0046]; paragraph [0054]; paragraph [0061]; paragraph [0124]-[0126]; paragraphs [0130]-[0131]);

- calculating the third party fees owed on a transaction between the first and the second party (paragraphs [0005]-[0007]; paragraph [0039]; paragraph [0046]; paragraphs [0124]-[0126]);

- transmitting to the transaction client logic engine, a transaction data information packet including said third party fees owed (paragraphs [0005]-[0007]; paragraph [0039]; paragraph [0046]; paragraph [0054]; paragraph [0061]; paragraph [0124]-[0126]; paragraphs [0130]-[0131]);

- wherein the third party fee calculation client logic engine: resides on a node with a wide area network distinct from and at a different locale than the nodes of a first party and a second party; comprises rules of logic for the determination of fees owed to

a third party on one or more transactions between the first and the second party (Figure 1; paragraphs [0005]-[0007]; paragraph [0038]; paragraph [0039]; paragraph [0046]; paragraphs [0124]-[0126]; paragraphs [0130]-[0131]).

Sullivan fails to disclose wherein the tax system components are divided in the manner specified in claim 22 among multiple logic engines which communicate with each other. However, Sullivan discloses that its system may be divided among multiple logic engines which communicate with each other (paragraphs [0130]-[0131]). It would have been obvious to one of ordinary skill in the art to modify the invention of Sullivan such that the tax system components are divided in the manner specified in claim 22 among multiple logic engines which communicate with each other; in doing so, its system would be divided among multiple logic engines which communicate with each other, as disclosed by Sullivan. The modification would have been obvious because the claimed invention is merely a combination of old elements, and in the combination each element merely would have performed the same function as it did separately, and one of ordinary skill in the art would have recognized that the results of the combination were predictable.

Sullivan fails to disclose said one or more information packets from the tax system having been transmitted to the tax system by a payment processing gateway. Agee discloses said one or more information packets from the tax system having been transmitted to the tax system by a payment processing gateway (paragraph [0043]; paragraph [0045]; paragraphs [0084]-[0086]; in this case, the third-party service provider 62 system can be regarded as a payment processing gateway). It would have

been obvious to one of ordinary skill in the art to modify the invention of Sullivan such that said one or more information packets from the tax system have been transmitted to the tax system by a payment processing gateway, as disclosed by Agee, since the claimed invention is merely a combination of old elements, and in the combination each element merely would have performed the same function as it did separately, and one of ordinary skill in the art would have recognized that the results of the combination were predictable.

Sullivan fails to disclose the tax system resides on a node distinct from and at a different locale than the payment processing gateway. Agee further discloses the tax system resides on a node distinct from and at a different locale than the payment processing gateway (paragraph [0043]; paragraph [0045]; paragraph [0063]; paragraphs [0084]-[0086]; in this case, the third-party service provider 62 system can be regarded as a payment processing gateway). It would have been obvious to one of ordinary skill in the art to modify the invention of Sullivan such that the tax system resides on a node distinct from and at a different locale than the payment processing gateway, as disclosed by Agee, since the claimed invention is merely a combination of old elements, and in the combination each element merely would have performed the same function as it did separately, and one of ordinary skill in the art would have recognized that the results of the combination were predictable.

As per Claim 23, Sullivan discloses:

- a computer program storage device readable by a computer, tangibly embodying a computer program or instructions executable by the computer to perform method steps for providing a third party fee fulfillment client logic engine, residing on a node within the wide area network distinct from the nodes of a first party and a second party (paragraphs [0005]-[0007]; paragraph [0039]; paragraph [0122]; paragraphs [0124]-[0126]);

- receiving from a transaction client logic engine, if present, or a third party fee calculation client logic engine, if present, one or more information packets containing data for the transfer of transaction funds between the first and the second party (paragraphs [0005]-[0007]; paragraph [0039]; paragraph [0046]; paragraphs [0124]-[0126]);

- determining the third party fees owed on a transaction between the first and the second party (paragraphs [0005]-[0007]; paragraph [0039]; paragraph [0046]; paragraph [0054]; paragraph [0061]; paragraph [0124]-[0126]; paragraphs [0130]-[0131]);

- providing authorization and fulfillment data for the third party fees owed on the transaction between the first and the second party (paragraphs [0005]-[0007]; paragraph [0039]; paragraph [0046]; paragraph [0054]; paragraph [0061]; paragraph [0124]-[0126]; paragraphs [0130]-[0131]);

- wherein the third party fee fulfillment client logic engine: causes the deduction of the third party fees owing from funds transferred between the first and the second

party (paragraphs [0005]-[0007]; paragraph [0039]; paragraph [0046]; paragraph [0054]; paragraph [0061]; paragraph [0124]-[0126]; paragraphs [0130]-[0131]);

- causes the transfer of the third party fees to said one or more third parties (paragraphs [0005]-[0007]; paragraph [0039]; paragraph [0046]; paragraph [0054]; paragraph [0061]; paragraph [0124]-[0126]; paragraphs [0130]-[0131]);

- resides on a node with a wide area network distinct from and at a different locale than the nodes of a first party and a second party (Figure 1; paragraphs [0005]-[0007]; paragraph [0038]; paragraph [0039]; paragraph [0122]; paragraphs [0124]-[0126]; paragraphs [0130]-[0131]);

- comprises rules of logic for the determination of fees owed to one or more third parties on one or more transactions between the first and the second party (paragraphs [0005]-[0007]; paragraph [0039]; paragraph [0046]; paragraphs [0124]-[0126]).

Sullivan fails to disclose wherein the tax system components are divided in the manner specified in claim 23 among multiple logic engines which communicate with each other. However, Sullivan discloses that its system may be divided among multiple logic engines which communicate with each other (paragraphs [0130]-[0131]). It would have been obvious to one of ordinary skill in the art to modify the invention of Sullivan such that the tax system components are divided in the manner specified in claim 23 among multiple logic engines which communicate with each other; in doing so, its system would be divided among multiple logic engines which communicate with each other, as disclosed by Sullivan. The modification would have been obvious because the claimed invention is merely a combination of old elements, and in the combination each

element merely would have performed the same function as it did separately, and one of ordinary skill in the art would have recognized that the results of the combination were predictable.

Sullivan fails to disclose transmitting to a payment processing gateway one or more information data packets from the tax system. Agee discloses transmitting to a payment processing gateway one or more information data packets from the tax system (paragraph [0043]; paragraph [0045]; paragraphs [0084]-[0086]; in this case, the third-party service provider 62 system can be regarded as a payment processing gateway). It would have been obvious to one of ordinary skill in the art to modify the invention of Sullivan such that it transmits to a payment processing gateway one or more information data packets from the tax system, as disclosed by Agee, since the claimed invention is merely a combination of old elements, and in the combination each element merely would have performed the same function as it did separately, and one of ordinary skill in the art would have recognized that the results of the combination were predictable.

Sullivan fails to disclose the tax system is on a node different than the payment processing gateway. Agee further discloses the tax system is on a node different than the payment processing gateway (paragraph [0043]; paragraph [0045]; paragraph [0063]; paragraphs [0084]-[0086]; in this case, the third-party service provider 62 system can be regarded as a payment processing gateway). It would have been obvious to one of ordinary skill in the art to modify the invention of Sullivan such that the tax system is on a node different than the payment processing gateway, as disclosed by

Agee, since the claimed invention is merely a combination of old elements, and in the combination each element merely would have performed the same function as it did separately, and one of ordinary skill in the art would have recognized that the results of the combination were predictable.

As per **Claim 24**, Sullivan fails to disclose wherein the financial network comprises an acquirer bank. Agee further discloses wherein the financial network comprises an acquirer bank (paragraph [0043]). It would have been obvious to one of ordinary skill in the art to modify the invention of Sullivan such that the financial network comprises an acquirer bank, as disclosed by Agee, since the claimed invention is merely a combination of old elements, and in the combination each element merely would have performed the same function as it did separately, and one of ordinary skill in the art would have recognized that the results of the combination were predictable.

Conclusion

15. The prior art made of record and not relied upon is considered pertinent to applicant's disclosure: Gryglewicz, U.S. Patent No. 6,993,502 B1. In particular, see Gryglewicz, column 40, line 55, through column 41, line 4, which discusses commerce gateways which act as intermediaries between merchants and a tax system.

16. **THIS ACTION IS MADE FINAL.** Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within

TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the mailing date of this final action.

17. Any inquiry concerning this communication or earlier communications from the examiner should be directed to NATHAN ERB whose telephone number is (571)272-7606. The examiner can normally be reached on M-F 8:30 AM - 5:00 PM.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, John Hayes can be reached on (571) 272-6708. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only.

For more information about the PAIR system, see <http://pair-direct.uspto.gov>.

Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

NATHAN ERB
Examiner
Art Unit 3628

nhe

/JOHN W HAYES/
Supervisory Patent Examiner, Art Unit 3628